

**REPORT OF THE AUDITOR OF PUBLIC ACCOUNTS
AGREED-UPON PROCEDURES ENGAGEMENT
OF THE
CRITTENDEN COUNTY
PROPERTY VALUATION ADMINISTRATOR**

**For The Period
July 1, 2008 Through June 30, 2009**



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Independent Accountant's Report

Jonathan Miller, Secretary, Finance and Administration Cabinet
The Honorable Ronnie Heady
Crittenden County Property Valuation Administrator
Marion, Kentucky 42064

We have performed the procedures enumerated below, which were agreed to by the Crittenden County Property Valuation Administrator (PVA), solely to assist you with the accountability for statutory contribution receipts and disbursements, including capital outlay disbursements, city government receipts, recordkeeping, and leases and contracts for the period July 1, 2008 through June 30, 2009. This engagement to apply agreed-upon procedures was performed in accordance with attestation standards established by the American Institute of Certified Public Accountants. The sufficiency of the procedures is solely the responsibility of the Crittenden County PVA. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

Our procedures and findings are as follows:

1. Procedure -

Determine if the PVA has a receipts ledger, a disbursements ledger, and reconciles bank records to books each month. Re-perform the year-end bank reconciliation (June 30, 2009), for all bank accounts, to determine if amounts are accurate.

Finding -

The Property Valuation Administrator maintained a computer-generated receipts and disbursements ledger for the period. Bank records appear to have been reconciled to the ledgers on a monthly basis. Auditor reperformed the June 30, 2009 bank reconciliation and found the PVA's bank reconciliation to be accurate.

2. Procedure -

Confirm any and all payments by the city to the PVA. Compare recorded city receipts to confirmed payment amounts obtained from city governments. Also review the list of city receipts for completeness.



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2. Procedure (Continued) -

Finding -

Receipts from the city of Marion, as recorded by the PVA, agreed with confirmed amounts reported by the city's bookkeeper. No other city governments were noted that would be subject to paying fees to the PVA for services.

3. Procedure -

Confirm any and all payments made by the fiscal court to the PVA. Compare the budgeted statutory contribution by fiscal court to the legally required amounts calculated by the Department of Revenue. Trace the fiscal court payments from the fiscal court statutory contribution budget account to the PVA's local bank account.

Finding -

The budgeted statutory contribution from the fiscal court agreed with the legally required amount calculated by the Department of Revenue. Fiscal court paid the full statutory contribution to the PVA through three installments deposited into the PVA's bank account during the year. The deputy compensation apportionment of the statutory contribution was paid to the State Treasury in two installments by the PVA during the year.

4. Procedure -

Judgmentally select 15 disbursements from PVA records and agree amounts to cancelled checks, paid invoices or other supporting documentation. Determine if the expenditure is for official business. Review all credit card statements (if any) to determine if expenditures are for official business.

Finding -

All selected PVA expenditures agreed with cancelled checks, paid invoices, or other supporting documentation, and all appeared to be for official business. Credit card purchases were noted and proper documentation was maintained to support these purchases.

5. Procedure -

Compare capital outlay disbursements with cancelled checks, supporting documentation, and proper purchasing procedures. Verify the location of newly acquired assets. Determine if assets were added to the PVA's Capital Asset Inventory List.

Finding -

No capital outlay disbursements were noted during the year. The PVA properly maintains a current Capital Asset Inventory List.

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6. Procedure -

Scan vehicle lease agreements, personal service contracts, and professional service contracts for cost schedules and compare to actual payments. Determine if services received were appropriate, for official business, and properly authorized.

Finding -

The office has an agreement for monthly hosting and service to the office website and an annual agreement for support and maintenance of the office's main computer software. Amounts paid for website services are billed monthly by the provider, while the amount due the software vendor is paid annually. Amounts expended during the year for the website and computer software are reasonable per related supporting documentation and contract agreements, and services received were appropriate, for official business, and properly authorized.

7. Procedure -

Compare PVA's final budget to actual expenditures to determine if PVA overspent in any account series.

Finding -

The PVA's total expenditures were within final budget limitations.

8. Procedure -

Determine whether collateral is necessary for the PVA's funds. If necessary determine if a collateral agreement exists.

Finding -

Federal Deposit Insurance Corporation (FDIC) coverage was sufficient to protect the PVA's deposits in all months. No pledge of collateral was necessary.

9. Procedure -

Determine whether timesheets are completed, maintained, approved, and support hours worked.

Finding -

Employees of the PVA's office complete hand written timesheets reflective of hours worked, or in the case of absences, the type and hours of leave used. At the end of the pay period, the hand written timesheets are entered into the state's electronic timekeeping system by an office employee. The PVA then approves the electronic timesheets and submits them to the state for processing.

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10. Procedure -

Determine whether cash balances were properly transferred from former PVA to new PVA.

Finding -

The procedure is not applicable.

11. Procedure -

For newly hired employees, during July 1, 2007 through June 30, 2008, of the PVA office determine if the Ethics Certification Form has been completed and is on file.

Finding - The Crittenden County PVA hired two new part-time employees between July 1, 2008 and June 30, 2009. Both of these employees completed the Ethics Certification Form as required.

12. Procedure -

Determine if the PVA's office was closed any day other than the state's approved holidays. If so, determine if the proper procedures and forms were completed.

Finding -

Other than state holidays, the PVA's office was closed from January 28 to February 6, 2009 due to the Winter Storm of 2009, at which time the area was in a governor-declared State-of-Emergency.

We were not engaged to, and did not perform an examination, the objective of which would be the expression of an opinion on the receipts and disbursements, including capital outlay disbursements, city government receipts, recordkeeping, and leases and contracts. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the information and use of the Property Valuation Administrator and the Department of Revenue and is not intended to be and should not be used by anyone other than these specified parties.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Crit Luallen", written in a cursive style.

Crit Luallen
Auditor of Public Accounts

February 4, 2010